

California Regional Water Quality Control Board
Santa Ana Region

March 2, 2001

ITEM: 14

SUBJECT: Proposition 13 Grant Proposal Update

In March 2000, California voters passed Proposition 13, the Costa-Machado Water Act of 2000 (Water Act). The Water Act authorized the issuance and sale of State bonds totaling \$1,970,000,000 to support safe drinking water projects, flood control protection, watershed planning, and other clean water activities throughout the State. The Water Act assigned the State Water Resources Control Board to disburse three of the funding subaccounts relating to nonpoint source pollution control, general water quality improvements in coastal waters, and watershed planning programs.

The State Water Resources Control Board (State Board) will allocate approximately \$764,000,000 over five years, primarily as grants, but also some loans, to local projects throughout the State. Approximately \$258,000,000 will be allocated as grants in the following subaccount categories: Watershed Protection (\$83,000,000), Nonpoint Source (\$92,000,000), and, Coastal Nonpoint Source (\$83,000,000). The State Board began the grant allocation process in November 2000 with the release of three Request for Proposals (RFPs) documents, one pertaining to each subaccount, through mail and via the State Board website. The State Board anticipates the continued use of the RFP process for the succeeding four fiscal years to solicit proposals.

The State and Regional Board staff held informational meetings during December, 2000, to confer with a large number of local agencies and stakeholders regarding Proposition 13 requirements, potential projects, and the grant application process. The grant proposals for fiscal year 2001 were due to the State Board by February 1, 2001. Regional Board staff were given a deadline of March 1, 2001 to review and rank the proposals and then provide regional projects ranking decisions. After the Regional Boards submit their staff rankings, all proposals will be ranked on a statewide basis to develop a State Proposition 13 priority-funding list for the three subaccounts.

Region Eight has received more than 50 applicant submittals, originating from areas throughout the region. The Regional Board will be presented with an oral report on Proposition 13, including information regarding the subaccounts, the application and ranking processes, the eligibility criteria, the regional projects list, and future upcoming activities associated with the grant solicitation process.